

Turner Office Network

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Pittsburgh*
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Spartanburg
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Dallas*
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Houston*
(713) 840-8441

Washington

Seattle* •
(206) 505-6600

Washington, D.C.

Arlington, Va.* •
(703) 841-5200

TURNER UNIVERSAL

Huntsville, Ala.
(256) 461-0568

Nashville*
Brentwood, Tenn.
(615) 231-6300

TURNER INTERNATIONAL

New York, N.Y.
(212) 229-6388

THE LATHROP COMPANY, INC.

Maumee, Ohio
(419) 893-7000

Service Products

Buildings, Inc.
Maumee, Ohio
(419) 897-0708

Auburdale Co., Inc.

Toledo, Ohio
(419) 476-7300

CASUALTY AND SURETY

Woodcliff Lake, N.J.
(201) 722-3800

HOMELAND SECURITY

Arlington, Va.
(703) 841-5200

LOGISTICS

Hawthorne, N.Y.
(914) 593-6500

MARKET SEGMENTS

Advanced Technologies
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Aviation

(703) 841-7021

eTechnologies

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Healthcare

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Industrial

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Interiors

(212) 229-6178

Justice

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K-12 Education

(312) 327-2770

Pharmaceutical & Biotechnology

(732) 652-7705

Public Assembly

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Sports

(703) 841-7080

Office includes

* **Turner** ≡ Special Projects

• **Turner** ≡ Interiors

Turner

Second Quarter Report 2003

Second Quarter Report 2003

Turner's strong results for the six-month period which ended June 30 reflect the company's commitment to continually improve the value and service provided to clients. Turner secured \$3.8 billion in new contracts during the first half of the year. Gross sales earnings were \$134 million. Construction completed for the period ending June 30 was valued at \$3 billion.

Earnings from construction contracts were \$94 million. Backlog earnings were a record setter at \$233 million, nine percent over the \$214 million reported for the corresponding period in 2002. As of June 30, construction backlog volume was \$6.7 billion.

This solid performance is grounded in Turner's longstanding practice of doing whatever it takes to better serve its clients. Whether it was using the then-new technology of reinforced concrete almost a century ago, or today's TurnerTalk connecting up builders, owners and architects in a brand new online way, the Turner tradition remains the same: adapt the innovations and tools that can set Turner apart from the rest.

Launched in September of 2002, TurnerTalk is a proprietary Web-hosted version of Meridian's Prolog Manager and Prolog Website. Developed specifically for Turner, this unique service offers secure, real time project collaboration and data retrieval, 24 hours a day, seven days a week. Available anytime, from anywhere in the world via the Internet, TurnerTalk can be used for any size project, big and small. It is free to owners and architects, and open to subcontractors on a monthly-fee basis.

TurnerTalk allows for faster paced communication. Requests for information can be submitted and answered online, substantially cutting down on paper-work time. Members of the project team can run online discussion threads where they exchange information and views. Indeed, TurnerTalk can bring everyone to the electronic conference table in an instant.

Real time data on TurnerTalk includes cost and engineering reports for both the field and executive level. Users can also retrieve and print out drawings. With TurnerTalk, access to information can be tailored to meet individual client needs. Security can selectively block users with a few keystrokes. A subcontractor, for example, can be limited to viewing data specific to his work, and can update key data as security allows.



Instead of taking days installing project management software and keying in data at every computer, TurnerTalk can be readied for a new project significantly faster. Staff can immediately concentrate on the business of building rather than the task of getting computers up to speed and on a job.

TurnerTalk also helps the company better tap into its greatest asset: the collective skills and knowledge of its workforce. Once all staff are trained to use TurnerTalk, work with the same databases and speak the same reporting language, any Turner staff member, from any Turner office, can be called on to collaborate on a project.

Since its September rollout, more than 90% of the company's new projects have utilized TurnerTalk as their management system. Clients are especially impressed with the improved communication and accurate, timely reporting TurnerTalk provides.

Sales:
Value of New Contracts Secured
First Six Months 2003
\$3.8 Billion

Building Types	
Commercial/Retail	19%
Manufacturing	11%
Education/Science	28%
Healthcare	17%
Public	1%
Entertainment/Sports	4%
Residential/Hotel	6%
Aviation	10%
Other	4%
	100%

The Turner Corporation and Subsidiaries Consolidated Financial Highlights (in thousands; unaudited)

For the six months ended June 30,	2003	2002
New contracts secured	\$3,765,783	\$4,190,757
Value of construction completed	\$2,973,160	\$2,926,827
Revenue from construction contracts	\$2,907,725	\$2,791,817
Cost of construction contracts	2,813,898	2,688,734
Earnings from construction contracts	\$93,827	\$103,083